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CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

11 UNITED STATES DISTRICT COURT  
12 CENTRAL DISTRICT OF CALIFORNIA

13 SECURITIES AND EXCHANGE  
14 COMMISSION,

15 Plaintiff,

16 vs.

17 NEWPOINT FINANCIAL SERVICES,  
18 INC.; JOHN FARAH; GISSOU  
19 RASTEGAR FARAH; and ELAHEH  
AMOU EI,

20 Defendants,

21 and

22 TRIPLE "J" PLUS, LLC,

23 Relief Defendant.

CV 10 0124  
COMPLAINT FOR VIOLATIONS OF  
THE SECURITIES LAWS

24 Plaintiff Securities and Exchange Commission ("Commission") alleges as  
25 follows:

26 JURISDICTION AND VENUE

27 1. This Court has jurisdiction over this action pursuant to Sections 20(b),  
28 20(d)(1) and 22(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C.

1 §§ 77t(b), 77t(d)(1) & 77v(a), and Sections 21(d)(1), 21(d)(3)(A), 21(e) and 27 of  
2 the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §§ 78u(d)(1),  
3 78u(d)(3)(A), 78u(e) & 78aa. Defendants have, directly or indirectly, made use of  
4 the means or instrumentalities of interstate commerce, of the mails, or of the  
5 facilities of a national securities exchange, in connection with the transactions,  
6 acts, practices, and courses of business alleged in this Complaint.

7 2. Venue is proper in this district pursuant to Section 22(a) of the  
8 Securities Act, 15 U.S.C. § 77v(a), and Section 27 of the Exchange Act, 15 U.S.C.  
9 § 78aa, because certain of the transactions, acts, practices, and courses of conduct  
10 constituting violations of the federal securities laws occurred within this district,  
11 Defendants John Farahi, Gissou Rastegar Farahi, and Elaheh Amouei reside in this  
12 district, and Defendant NewPoint Financial Services, Inc. ("NewPoint") transacts  
13 or has transacted business in this district.

#### 14 SUMMARY

15 3. This matter involves an unregistered offering fraud primarily targeting  
16 the Los Angeles Iranian-American community. Since at least 2003, Defendant  
17 NewPoint, a Beverly Hills based corporation controlled by Defendants John Farahi  
18 and Gissou Rastegar Farahi, has offered and sold more than \$20 million worth of  
19 debentures to more than one hundred investors. The vast majority of the money  
20 raised was transferred to accounts held by Defendants John and Gissou Farahi.  
21 Defendants John and Gissou Farahi, in turn, used the investor funds to, among  
22 other things, construct a multi-million dollar personal residence in Beverly Hills,  
23 California and to engage in risky options futures trading in the stock market in  
24 which Defendants John and Gissou Farahi lost more than \$18 million in 2008 and  
25 the beginning of 2009.

26 4. Most investors learned of NewPoint through a daily finance radio  
27 program that Defendant John Farahi hosts on a Farsi language radio station in the  
28 Los Angeles area. Investors were typically solicited to invest in the debentures by

1 the Farahis and/or Defendant Elaheh Amouei, NewPoint's controller, after making  
2 an appointment to discuss investment opportunities offered by NewPoint.

3 5. Defendants John and Gissou Farahi and Defendant Amouei misled  
4 investors who purchased NewPoint debentures in several ways. Defendants John  
5 and Gissou Farahi and Defendant Amouei falsely told investors that the NewPoint  
6 debentures were low-risk. Many investors were also falsely told that they were  
7 investing in FDIC insured certificates of deposit, government bonds, and/or  
8 corporate bonds issued by companies backed by funds from the Troubled Asset  
9 Relief Program ("TARP"). Additionally, although NewPoint at some point created  
10 a private placement memorandum ("PPM") that disclosed some risk associated  
11 with the debenture investment, most investors claim that they did not receive it.  
12 Finally, Defendants John and Gissou Farahi and Defendant Amouei failed to  
13 disclose to investors that their money would be provided to the Farahis and used  
14 for risky trading in options futures and transferred to Relief Defendant Triple "J"  
15 Plus, LLC ("Relief Defendant Triple "J") to be used for the construction of the  
16 Defendants John and Gissou Farahi's multi-million dollar personal residence.

17 6. Since approximately June 2009, Defendant NewPoint, Defendants  
18 John and Gissou Farahi, and Defendant Amouei (collectively, "all Defendants")  
19 have made further misrepresentations to investors in an effort to lull them into  
20 keeping their money with NewPoint. Investors have been told that their money is  
21 safe and that they are guaranteed to get the entirety of their investment back --  
22 despite the fact that Defendant NewPoint lacks sufficient funds to make all  
23 investors whole. Defendant John Farahi has also paid back some investors on a  
24 selective basis while failing to return money to other investors who have asked for  
25 a return of their investment. Defendant Amouei has falsely told some of the  
26 investors who have not received a return of their investment that NewPoint was  
27 unable to return their money because the Commission has frozen Defendant  
28 NewPoint's financial accounts.

7. The Defendants have violated and are violating Sections 5(a) and 5(c) of the Securities Act, 15 U.S. C. §§ 77e(a) and 77e(c), Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a), and Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5. By this action, the Commission seeks a temporary restraining order and preliminary and permanent injunctions prohibiting future such violations as to all Defendants, appointment of a receiver over Defendant NewPoint and Relief Defendant Triple “J”, an order freezing the assets of Defendants NewPoint, Defendants John and Gissou Farahi, and Relief Defendant Triple “J”, an order requiring accountings from Defendants NewPoint, Defendants John and Gissou Farahi, and Relief Defendant Triple “J”, and an order prohibiting the destruction of documents by all Defendants and Relief Defendant Triple “J”. The Commission also seeks an order requiring disgorgement of ill-gotten gains with prejudgment interest thereon, obtained by Defendant NewPoint, Defendants John and Gissou Farahi, and Relief Defendant Triple “J”, and civil penalties against all Defendants.

#### **THE DEFENDANTS AND RELIEF DEFENDANT**

8. **NewPoint Financial Services, Inc. (“NewPoint”)** is a Nevada corporation registered with the Nevada Secretary of State since 1999, and operates from offices located in Beverly Hills, California. No registration statement has been filed with the Commission or has been in effect with respect to the securities offering by NewPoint alleged in this Complaint.

9. **John Farahi**, age 52, resides in Beverly Hills, California, and is married to Defendant Gissou Rastegar Farahi. Defendant John Farahi is the co-owner, president, secretary and treasurer of NewPoint and has been associated with NewPoint Securities, LLC since September 1999. He holds Series 4, 7, 24, and 63 licenses with FINRA. Defendant John Farahi also has control over several entities affiliated with NewPoint, including Relief Defendant Triple “J”. Defendants John and Gissou Farahi are the sole trustees and beneficiaries of the Farahi Family

1 Trust, to which investor funds have been transferred.

2 10. **Gissou Rastegar Farahi**, age 50, resides in Beverly Hills, California,  
3 and is married to Defendant John Farahi. Defendant Gissou Farahi is the co-owner  
4 and former vice president of NewPoint.

5 11. **Elaheh Amouei**, age 54, resides in Thousand Oaks, California.  
6 Amouei is NewPoint's controller and the personal bookkeeper for Defendants John  
7 and Gissou Farahi.

8 12. **Triple "J" Plus, LLC ("Triple 'J'")**, is an active limited liability  
9 company organized in Nevada. Defendant John Farahi is the controlling owner  
10 and managing member of the entity. Defendants John and Gissou Farahi have  
11 control over the Triple "J" bank accounts.

## 12 **THE FRAUDULENT SCHEME**

### 13 **A. The Offering of NewPoint Debentures**

14 13. In May 2003, Defendant NewPoint began offering and selling its  
15 debentures to investors. Defendant John Farahi is NewPoint's co-owner and  
16 president. He has a daily, finance-related program on a local Farsi language radio  
17 station, formerly had a show on a Farsi language satellite television station, and  
18 gives frequent public talks regarding finance in the region. In his public  
19 appearances, Defendant John Farahi touts his and Defendant NewPoint's  
20 conservative investment philosophy. Most of Defendant NewPoint's investors  
21 learned of NewPoint through Defendant John Farahi's radio program and made an  
22 appointment to meet with him at NewPoint's offices in order to discuss investment  
23 opportunities.

24 14. In general, potential investors interested in learning more about  
25 investment opportunities that NewPoint had to offer met with Defendants John and  
26 Gissou Farahi and/or Defendant Amouei at NewPoint's offices. During these  
27 meetings, Defendants John and Gissou Farahi and/or Defendant Amouei solicited  
28 investors to purchase debentures issued by NewPoint.

1        15. Investors interested in purchasing the NewPoint debentures filled out  
2 a subscription agreement, but were provided with little other material in connection  
3 with their investment. Although Defendant NewPoint at some point created  
4 private placement memoranda ("PPM") explaining the investment and some risks,  
5 most investors claim they never received it. In addition, Defendants John and  
6 Gissou Farahi and/or Defendant Amouei failed to provide investors with audited or  
7 unaudited financial information regarding NewPoint prior to their investment.  
8 Approximately 40 of the more than 100 purchasers of NewPoint debentures did not  
9 qualify as accredited investors and many had little or no prior investment  
10 experience. Most of the NewPoint investors are residents of California; however,  
11 at least one was a resident of the state of Washington at the time she invested.

12 **B. The Defendants Made Material Misrepresentations About the NewPoint**  
13 **Debentures and Misappropriated Investor Funds**

14        16. In connection with the offer and sale of NewPoint's debentures, all  
15 Defendants materially misrepresented the investment and omitted material facts.  
16 When investors met with Defendants John and Gissou Farahi and/or Defendant  
17 Amouei to discuss investment opportunities, they were told that the NewPoint  
18 investment was low-risk. In fact, Defendants John and Gissou Farahi and/or  
19 Defendant Amouei falsely told many investors that they were investing in FDIC  
20 insured CDs, government bonds, and/or corporate bonds issued by companies  
21 backed by TARP funds. Defendants John and Gissou Farahi and/or Defendant  
22 Amouei never disclosed to investors that their money would be used for risky  
23 options futures trading in a brokerage account held by Defendant Gissou Farahi or  
24 transferred to other entities controlled by the Farahis, such as transfers to Relief  
25 Defendant Triple "J" to be used to build a multi-million dollar home for  
26 Defendants John and Gissou Farahi.

27        17. The various PPMs describing the NewPoint debentures included  
28 disclosures stating that investing in the debentures was high-risk. The PPMs also



1 disclosed that approximately 27% to 30% of the money raised from the sale of the  
2 debentures would be loaned to the Farahis. However, not only did Defendants  
3 John and Gissou Farahi and/or Defendant Amouei fail to provide the PPMs to most  
4 investors, it appears that they only added the disclosure regarding loans to  
5 Defendant John Farahi in 2009, *after* the offering ceased.

6 18. In total, Defendant NewPoint, through the efforts of Defendants John  
7 and Gissou Farahi and Defendant Amouei, raised more than \$20 million from May  
8 2003 until April 2009 when it ceased offering its debentures. Investor funds were  
9 initially deposited into a NewPoint bank account controlled by Defendants John  
10 and Gissou Farahi to which Defendant Amouei had access.

11 19. The vast majority of investor funds were then transferred either to  
12 Relief Defendant Triple "J" or to Defendants John and Gissou Farahi's family trust  
13 account. Funds transferred to Triple "J" were primarily used to construct a multi-  
14 million dollar personal residence for Defendants John and Gissou Farahi in  
15 Beverly Hills, California. The majority of investor funds that were transferred to  
16 Defendants John and Gissou Farahi's family trust account were later transferred to  
17 a brokerage account held by Defendant Gissou Farahi at Interactive Brokers and  
18 invested in risky options futures. Defendant John Farahi made most of the trading  
19 decisions in this brokerage account. This risky trading by Defendant John Farahi  
20 resulted in more than \$18 million in losses throughout the end of 2008 and the  
21 beginning of 2009.

22 **C. The Defendants Continue to Mislead Investors and Dissipate Investor**  
23 **Funds**

24 20. Beginning around June 2009 and continuing through the present,  
25 investors have been contacting Defendant NewPoint and asking Defendant John  
26 Farahi and Defendant Amouei about their investment. These questions stemmed  
27 from investors becoming aware of the Commission's investigation into NewPoint's  
28 debenture offering. Some investors sought an update on the status of their

1 investment, while others began asking to cash-out of their investment entirely.

2 21. In response to these inquiries, Defendant John Farahi and Defendant  
3 Amouei have made a number of misrepresentations. Defendant Amouei falsely  
4 told investors that the Commission's investigation was merely a "routine audit" of  
5 NewPoint. Defendant John Farahi and Defendant Amouei assured several  
6 investors that their money was safe. Defendant John Farahi guaranteed at least one  
7 investor that he would receive his investment in full if he would keep his money  
8 with NewPoint for several more months. Indeed, at least one investor who has  
9 asked for, but not yet received, a return of his investment, was falsely told by  
10 Defendant Amouei that he could not get his money back because the Commission  
11 had frozen Defendant NewPoint's financial accounts.

12 22. Defendant NewPoint, at the direction of Defendant John Farahi,  
13 continues to dissipate investor funds by refunding money to certain favored  
14 investors, at the expense of other investors whom NewPoint has refused to repay.

### 15 **FIRST CLAIM FOR RELIEF**

#### 16 **Unregistered Offer And Sale Of Securities**

#### 17 **Violations of Sections 5(a) and 5(c) of the Securities Act**

#### 18 **(Against All Defendants)**

19 23. The Commission realleges and incorporates by reference paragraphs 1  
20 through 22 above.

21 24. All Defendants, and each of them, by engaging in the conduct  
22 described above, directly or indirectly, made use of means or instrumentalities of  
23 transportation or communication in interstate commerce or of the mails, to offer to  
24 sell or to sell securities, or to carry or cause such securities to be carried through  
25 the mails or in interstate commerce for the purpose of sale or delivery after sale.

26 25. No registration statement has been filed with the Commission or has  
27 been in effect with respect to the offering alleged herein. By engaging in the  
28 conduct described above, each of the Defendants violated, and unless restrained



1 and enjoined will continue to violate, Sections 5(a) and 5(c) of the Securities Act,  
2 15 U.S.C. §§ 77e(a) and 77e(c).

3 **SECOND CLAIM FOR RELIEF**

4 **FRAUD IN THE OFFER OR SALE OF SECURITIES**

5 **Violations of Section 17(a) of the Securities Act**

6 **(Against All Defendants)**

7 26. The Commission realleges and incorporates by reference paragraphs 1  
8 through 22 above.

9 27. All Defendants, and each of them, by engaging in the conduct  
10 described above, directly or indirectly, in the offer or sale of securities by the use  
11 of means or instruments of transportation or communication in interstate  
12 commerce or by use of the mails:

- 13 a. with scienter, employed devices, schemes, or artifices to  
14 defraud;
- 15 b. obtained money or property by means of untrue statements of a  
16 material fact or by omitting to state a material fact necessary in  
17 order to make the statements made, in light of the  
18 circumstances under which they were made, not misleading; or
- 19 c. engaged in transactions, practices, or courses of business which  
20 operated or would operate as a fraud or deceit upon the  
21 purchaser.

22 28. By engaging in the conduct described above, all Defendants violated,  
23 and unless restrained and enjoined will continue to violate, Section 17(a) of the  
24 Securities Act, 15 U.S.C. § 77q(a).

25 ///

26 ///

27 ///

28 ///

**SECOND CLAIM FOR RELIEF**

**FRAUD IN CONNECTION WITH THE PURCHASE OR SALE OF  
SECURITIES**

**Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder  
(Against All Defendants)**

29. The Commission realleges and incorporates by reference paragraphs 1 through 22 above.

30. All Defendants, and each of them, by engaging in the conduct described above, directly or indirectly, in connection with the purchase or sale of a security, by the use of means or instrumentalities of interstate commerce, of the mails, or of the facilities of a national securities exchange, with scienter:

- a. employed devices, schemes, or artifices to defraud;
- b. made untrue statements of a material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- c. engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

By engaging in the conduct described above, all Defendants violated, and unless restrained and enjoined will continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

**PRAYER FOR RELIEF**

WHEREFORE, the Commission respectfully requests that the Court:

**I.**

Issue findings of fact and conclusions of law that all Defendants committed the alleged violations.

///

1 **II.**

2 Issue judgments, in forms consistent with Fed. R. Civ. P. 65(d), temporarily,  
 3 preliminarily and permanently enjoining the Defendants and their officers, agents,  
 4 servants, employees, and attorneys, and those persons in active concert or  
 5 participation with any of them, who receive actual notice of the judgment by  
 6 personal service or otherwise, and each of them, from violating Sections 5(a), 5(c),  
 7 and 17(a) of the Securities Act, 15 U.S.C. §§ 77e(a), 77e(c), and 77q(a), and  
 8 Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder,  
 9 17 C.F.R. § 240.10b-5.

10 **III.**

11 Issue, in a form consistent with Fed. R. Civ. P. 65, a temporary restraining  
 12 order and a preliminary injunction freezing the assets of Defendants NewPoint,  
 13 Defendants John and Gissou Farahi, and Relief Defendant Triple "J" and any entity  
 14 affiliated with any of them, appointing a receiver over Defendant NewPoint and  
 15 Relief Defendant Triple "J", requiring accountings from Defendants NewPoint,  
 16 Defendants John and Gissou Farahi, and Relief Defendant Triple "J", and  
 17 prohibiting all Defendants and Relief Defendant Triple "J" from destroying  
 18 documents.

19 **IV.**

20 Order Defendants NewPoint, Defendants John and Gissou Farahi, and Relief  
 21 Defendant Triple "J" to disgorge all ill-gotten gains from their illegal conduct,  
 22 together with prejudgment interest thereon.

23 **V.**

24 Order all Defendants to pay civil penalties under Section 20(d) of the  
 25 Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act,  
 26 15 U.S.C. § 78u(d)(3).

27 ///

28 ///


1 VI.

2 Retain jurisdiction of this action in accordance with the principles of equity  
3 and the Federal Rules of Civil Procedure in order to implement and carry out the  
4 terms of all orders and decrees that may be entered, or to entertain any suitable  
5 application or motion for additional relief within the jurisdiction of this Court.

6 VII.

7 Grant such other and further relief as this Court may determine to be just and  
8 necessary.

9  
10 DATED: January 7, 2010

  
\_\_\_\_\_  
Bernard B. Smyth  
John M. McCoy III  
Attorneys for Plaintiff  
Securities and Exchange Commission

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UNITED STATES DISTRICT COURT  
 CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION

CASE NUMBER

PLAINTIFF(S)

v.

NEWPOINT FINANCIAL SERVICES, INC.; JOHN  
 FARAH; GISSOU RASTEGAR FARAH; and  
 ELAHEH AMOUEI

DEFENDANT(S).

CV10 0124 DDP (JEMx)

SUMMONS

TRIPLE "J" PLUS, LLC, Relief Defendant

TO: DEFENDANT(S):

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it), you must serve on the plaintiff an answer to the attached ☒ complaint ☐ amended complaint ☐ counterclaim ☐ cross-claim or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff's attorney, John M. McCoy III/Bernard B. Smyth, whose address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. If you fail to do so, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

Clerk, U.S. District Court

JAN - 8 2010

Dated: \_\_\_\_\_

By: \_\_\_\_\_

CHRISTOPHER POWERS

Deputy Clerk

(Seal of the Court)

[Use 60 days if the defendant is the United States or a United States agency, or is an officer or employee of the United States. Allowed 60 days by Rule 12(a)(3)].

**COPY**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET

<b>I (a) PLAINTIFFS</b> (Check box if you are representing yourself <input type="checkbox"/> ) <b>SECURITIES AND EXCHANGE COMMISSION</b>		<b>DEFENDANTS</b> <b>NEWPOINT FINANCIAL SERVICES, INC.; JOHN FARAH; GISSOU RASTEGAR FARAH; and ELAHEH AMOUEI, defendants</b> <b>TRIPLE "J" PLUS, LLC, relief defendant</b>  Orange County	
<b>(b) Attorneys</b> (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.)  John M. McCoy III/Bernard B. Smyth (323) 965-3998 Securities and Exchange Commission 5670 Wilshire Boulevard, 11th Floor, Los Angeles, CA 90036		<b>Attorneys (If Known)</b>  Sylvia M. Scott (310) 255-6100 Freeman Freeman & Smiley LLP 3415 S. Sepulveda Boulevard, Suite 1200 Los Angeles, CA 90034	

<b>II. BASIS OF JURISDICTION</b> (Place an X in one box only.)  <input checked="" type="checkbox"/> 1 U.S. Government Plaintiff <input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)  <input type="checkbox"/> 2 U.S. Government Defendant <input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	<b>III. CITIZENSHIP OF PRINCIPAL PARTIES - For Diversity Cases Only</b> (Place an X in one box for plaintiff and one for defendant.)  <table style="width:100%;"> <tr> <th style="text-align: left;">Plaintiff</th> <th style="text-align: left;">Defendant</th> </tr> <tr> <td>           Citizen of This State    <input type="checkbox"/> 1    <input type="checkbox"/> 1            Citizen of Another State    <input type="checkbox"/> 2    <input type="checkbox"/> 2            Citizen or Subject of a Foreign Country    <input type="checkbox"/> 3    <input type="checkbox"/> 3         </td> <td>           Incorporated or Principal Place of Business in this State    <input type="checkbox"/> 4    <input type="checkbox"/> 4            Incorporated and Principal Place of Business in Another State    <input type="checkbox"/> 5    <input type="checkbox"/> 5            Foreign Nation    <input type="checkbox"/> 6    <input type="checkbox"/> 6         </td> </tr> </table>	Plaintiff	Defendant	Citizen of This State <input type="checkbox"/> 1 <input type="checkbox"/> 1 Citizen of Another State <input type="checkbox"/> 2 <input type="checkbox"/> 2 Citizen or Subject of a Foreign Country <input type="checkbox"/> 3 <input type="checkbox"/> 3	Incorporated or Principal Place of Business in this State <input type="checkbox"/> 4 <input type="checkbox"/> 4 Incorporated and Principal Place of Business in Another State <input type="checkbox"/> 5 <input type="checkbox"/> 5 Foreign Nation <input type="checkbox"/> 6 <input type="checkbox"/> 6
Plaintiff	Defendant				
Citizen of This State <input type="checkbox"/> 1 <input type="checkbox"/> 1 Citizen of Another State <input type="checkbox"/> 2 <input type="checkbox"/> 2 Citizen or Subject of a Foreign Country <input type="checkbox"/> 3 <input type="checkbox"/> 3	Incorporated or Principal Place of Business in this State <input type="checkbox"/> 4 <input type="checkbox"/> 4 Incorporated and Principal Place of Business in Another State <input type="checkbox"/> 5 <input type="checkbox"/> 5 Foreign Nation <input type="checkbox"/> 6 <input type="checkbox"/> 6				

<b>IV. ORIGIN</b> (Place an X in one box only.)  <input checked="" type="checkbox"/> 1 Original Proceeding <input type="checkbox"/> 2 Removed from State Court <input type="checkbox"/> 3 Remanded from Appellate Court <input type="checkbox"/> 4 Reinstated or Reopened <input type="checkbox"/> 5 Transferred from another district (specify): <input type="checkbox"/> 6 Multi-District Litigation <input type="checkbox"/> 7 Appeal to District Judge from Magistrate/Judge
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<b>V. REQUESTED IN COMPLAINT:</b> JURY DEMAND: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Check 'Yes' only if demanded in complaint.) <b>CLASS ACTION</b> under F.R.C.P. 23: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> MONEY DEMANDED IN COMPLAINT: \$
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<b>VI. CAUSE OF ACTION</b> (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.) The Complaint alleges violations of the federal securities laws. 15 U.S.C. §§ 77e(a), 77e(c) & 77q(a); 15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5 thereunder.	
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<b>VII. NATURE OF SUIT</b> (Place an X in one box only.)					
<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutional of State Statutes	<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus-Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage-Product Liability <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 American with Disabilities - Employment <input type="checkbox"/> 446 American with Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609

FOR OFFICE USE ONLY: Case Number:

**CV10 0124**

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.



**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA**  
**CIVIL COVER SHEET**

**VIII(a). IDENTICAL CASES:** Has this action been previously filed in this court and dismissed, remanded or closed? ☒ No ☐ Yes  
 If yes, list case number(s): \_\_\_\_\_

**VIII(b). RELATED CASES:** Have any cases been previously filed in this court that are related to the present case? ☐ No ☒ Yes  
 If yes, list case number(s): CV 09-8006 JFW (MANx)

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply) ☒ A. Arise from the same or closely related transactions, happenings, or events; or  
☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or  
☒ C. For other reasons would entail substantial duplication of labor if heard by different judges; or  
☐ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**IX. VENUE:** (When completing the following information, use an additional sheet if necessary.)

- (a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named plaintiff resides.  
☒ Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country

- (b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named defendant resides.  
☐ Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
NewPoint Financial Services, Inc. - Los Angeles County; John Farahi - Los Angeles County; Gissou Rastegar Farahi - Los Angeles County; Elahch Amouci - Ventura County	Triple "J" Plus, LLC - Nevada

- (c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH claim arose.  
 Note: In land condemnation cases, use the location of the tract of land involved.

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Los Angeles County	

\* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties  
 Note: In land condemnation cases, use the location of the tract of land involved.

**X. SIGNATURE OF ATTORNEY (OR PRO PER):** Rand R. Loh Date 1-8-2010

**Notice to Counsel/Parties:** The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))